Sunrun Comments to Illinois Commerce Commission Staff's March 3, 2022 Draft Energy Storage Program Report

March 10, 2022

Sunrun commends the Staff of the Illinois Commerce Commission ("Staff") for conducting the Energy Storage webinar and workshop series with support from Sandia National Labs and the U.S. Department of Energy. The variety of stakeholders involved in the process has surely provided valuable information to establish a robust energy storage framework and program in Illinois. Sunrun further extends gratitude to Staff for providing a forum for participation as a presenter at the January 20, 2022 workshop. As the nation's largest residential solar, storage, and energy management company in the United States with over 650,000 customers in 22 states - including Illinois - and the District of Columbia and Puerto Rico, we were glad to be a part of the process by lending our insight and expertise.

The following comments are limited in response to the portion of Staff's Draft Energy Storage Program Report (the "Report") which outlines various pilot proposal recommendations for consideration by the Illinois Commerce Commission (the "Commission") in order to aid the Commission in its evaluation of the "net benefits resulting from prudent deployment and operation of energy storage systems".

Sunrun also notes that Staff recommends the Bring Your Own Device ("BYOD") program as a model which we proposed during the workshop series. We will provide some additional input to support this proposal, particularly to address how a pilot BYOD program can help the Commission determine the long-term value and scale of energy storage development in Illinois.

It should be noted that while Sunrun appreciates that Staff has presented several pilot proposals to help the State of Illinois advance its goals for energy storage, we also believe that the Commission has broad authority to ensure least cost rates for customers. The Commission has a duty and has also been encouraged by the General Assembly to advance the goals of the Climate and Equitable Jobs Act, which is to expeditiously prioritize the provision of access and benefits to new and emerging technologies, such as battery storage, to all families and small businesses in Illinois. The Commission could, and should, create programs beyond utility-scale battery programs to ensure equitable access of benefits. Sunrun offers these additional comments to encourage immediate, tangible results following Staff's three-month workshop series.

Develop customer-sited programs to maximize broad benefits of battery storage

Sunrun recommends prioritizing pilot proposal Number Four as the most viable energy storage pilot program. First, because there are three energy storage programs identified within the provisions of P.A. 102-0662 that are primarily utility-owned and/or utility-scale programs, a customer-sited program should be prioritized in order to maximize both the Commission's learnings as well as the customer's benefits of battery storage on a broad scale. As noted in Staff's report, Section 16-107.6(a) directs the Commission to perform a comprehensive investigation to include distributed energy resources to determine its full value and how it will evolve as technology does. Thus, if any pilot program is established, it should adequately reflect the requirements and overall intent of the statute.

Second, foundational BYOD programs in other states have already demonstrated quantifiable net benefits for ratepayers from the use of customer-sited energy storage to provide peak reduction, load shift and other grid services. While Sunrun appreciates that there will inevitably be some variation to an Illinois-based program, it is our hope that the Commission also recognizes the opportunity to learn from existing data from substantially similar programs from other states to inform its path forward rather than starting from scratch. Sunrun outlines successful state-specific programs in relative detail in its January 14, 2022 Comments to Staff and therefore will not fully reiterate them here.[1]

Third, a BYOD program can serve as the framework to deliver other services or programs. As an example, proposed Pilot Number Two outlines a "program that provides compensation for energy storage systems that are built and operated in conjunction with existing or new distributed generation and/or community solar renewable energy facilities currently supported through the RPS." A BYOD program could serve as the delivery pathway for this pilot via a Clean Peak Program Rider under the BYOD tariff structure. Similar to how BYOD is described in Staff's proposed Pilot Number Four, part of the value of BYOD as a delivery model is that it can serve as the framework through which any particular grid service is delivered. The tariff provides the details and requirements for each service, including participation term, compensation, operating requirements, etc. in the rider for each service or services. Further, additional services can be added as the Commission's desired findings are developed to support more robust, long-term energy storage deployment. The services to be delivered under proposed Pilots Five, Six and Seven could also be delivered via the BYOD framework. Staff

[1] *See e.g.*, Massachusetts ConnectedSolutions BYOD program, Hawaii Scheduled Dispatch Program (or "Battery Bonus") and BYOD programs, New York, Public Service Electric & Gas, Long Island, Distribution Load Relief Program and Commercial System Relief Program.

proposes, for the distribution and transmission deferral and ancillary services, pilots that would procure the storage asset via RFPs which can also be delivered through the BYOD model. The BYOD model is a versatile, proven and established pathway for customer-sited programs and should be considered as another option to bring customer-sited resources to bear to meet these grid needs.

Finally, programs ultimately approved to move forward as pilots should be designed such that the piloted service and model for delivering the service can be scaled to a full program following the successful completion of the pilot. The BYOD model not only demonstrates the value of storage, but it can also be developed more generally to rapidly scale for full program implementation following the pilot period. As outlined in Sunrun's January 14, 2022 Comments, Massachusetts utilities used demonstration projects that led to the ConnectedSolutions program. More specifically, the utility's filings demonstrating the net benefits of the program supported the MA DPU approval of the ConnectedSolutions program. BYOD is a proven model for customer-sited resources to deliver grid services. As such, in addition to providing "value" of storage information, piloting the BYOD model will also provide valuable information to help scale BYOD and the services delivered from customer-sited resources under the BYOD model into a full program after the pilot period concludes.

Conclusion

Once again, we thank the Illinois Commerce Commission for its leadership in developing an energy storage framework for the state of Illinois. As the number of solar installations will surely grow over the next decade, it is even more vital to leverage the value-stacking opportunity from customer-sited assets for the benefit of the grid and all its users. By focusing on immediate program development at the outset and learning from examples from other State Commission programs, Illinois can maximize the value of storage to provide tangible grid benefits for all.

/s/ Nakhia Crossley
Nakhia Crossley
Senior Manager, Public Policy
Sunrun Inc.
Phone: (301) 335-4226
Email: nakhia.crossley@sunrun.com